RECOMMENDATION

Staff recommends that Council:

1. Approve and authorize the Mayor to execute the attached contract with Value Engineering, Inc. in the amount of $370,570 for landfill gas and leachate system modifications pursuant to Capital Improvement Program projects RF-04011 and RF-04012.

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Value Engineering for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $37,050.

DISCUSSION

Project Description

The work to be performed under the contract is to upgrade and modify the landfill gas and leachate collection systems by: 1) installing new gas and leachate wells to replace aging ineffective wells; 2) backfilling and abandoning the replaced wells; 3) replacing the aged above-ground PVC piping with welded HDPE piping to reduce oxygen intrusion; 4) upgrading and rerouting the gas and leachate system header pipes to increase efficiency; and 5) installing new air pipeline to replace aging and leaking air hosing. This project is necessary because the work will replace gas wells that are aging and operating below optimal levels and will minimize leakage in outdated degraded PVC piping. By replacing the gas piping with welded HDPE piping, the City will stay in compliance with the Bay Area Air Quality Management District regulations regarding oxygen concentrations and methane emissions. In addition, new leachate wells are necessary in order to replace leachate wells that are failing because of silt or other blockages. New leachate piping is necessary in order to prevent potential leachate leaks in aging piping (that could result in
regulatory violations) and to upsize the leachate piping to minimize blockages caused by scaling.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Name/Number of Bid here</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>6 months</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>6</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>1</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>21</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>Yes</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>5</td>
</tr>
<tr>
<td>Number of Bids Received</td>
<td>3</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $370,570 to a high of $496,296</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment B.

The Invitation for Bid (IFB) was posted at City Hall and a notice inviting sealed bids was sent to bidders on September 14, 2004. Staff has reviewed all bids submitted and recommends that the low bid of $370,570 submitted by Value Engineering, Inc. be accepted and that Value Engineering be declared the lowest responsible bidder. The bid is 18 percent below the staff estimate of $450,000. The change order amount of $37,050, which equals ten percent of the total contract, is requested because of potential related, additional but unforeseen work which may develop during the project.

Staff confirmed with the Contractor's State License Board that the contractor has an active license on file. Staff checked references supplied by the contractor for previous work performed and found no significant complaints.

**RESOURCE IMPACT**
Funds for this project have been appropriated under the FY 2004-2005 Refuse Enterprise Fund.

**POLICY IMPLICATIONS**
Recommendations of this staff report are consistent with existing City policies.

**ENVIRONMENTAL REVIEW**
The proposed upgrade and replacement modifications are necessary to stay in compliance with the Bay Area Air Quality Management District emission requirements and do not have significant environmental impacts. The upgrade and modification of the landfill gas and leachate collection system, including the replacement gas and leachate wells and related header pipe upgrading are categorically exempt from California Environmental
Quality Act (CEQA) review under Title 14 Code of California Regulations Section 15301, Class 1 exemptions covering the replacement and repair of existing facilities.

ATTACHMENTS
Attachment A: Contract
Attachment B: Bid Summary
Attachment C: Certificate of Non-Discrimination

PREPARED BY:__________________________________
RON ARP
Environmental Specialist

DEPARTMENT HEAD:__________________________________
GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL:__________________________________
EMILY HARRISON
Assistant City Manager